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ON THE COMMERCIAL ACTIVITIES OF THE MONGOLS IN THE EARLY YEARS OF YUAN DYNASTY

By

Kōichi ITŌ*

I.

It is commonly understood that the Mongols in the early years of the formation of the Yuan dynasty laid emphasis on the commercial activities.¹ It was probably because they had to import a multitude of commodities from other neighboring races. Then, why was it that they wanted them?

The answer to this question could perhaps be found in the occupations they were engaged in those years. Principally, they were a hunting and nomadic race. Despite the contention that their productive capacity in those years saw a marked rise,² it still was beyond doubt that their activities as a race remained within the confines of hunting and nomadic practices, and it can easily be seen that all their needs of daily life could not be met with what they could have access to through their hunting and nomadic practices.³ Supplies from other sources were a thing of absolute necessity, and these could come only from other neighboring races.

This much interpretation, however, would appear highly unsatisfactory, for, for one thing, their hunting and nomadic practices had been in existence for many previous years, and they would naturally have moved to import these commodities even before the birth of the Yuan dynasty.

Indeed, they are known as a race to have early contributed to the growth of an economy of exchange.⁴ It was probable that from earlier

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1 Wang Hsiao-tung, "History of Commerce in China", pp. 147-148.

2 Борис Яковлевич Владимирцов "Общественный строй Монголов-Монгольский кочевой Феодализм, ленинград. 1934."

3 D'Ohsson, in his "History of Mongolia" Book 1 Chapter 1, says; "The domestic animals were in such numbers that they could almost satisfy all their needs." The domestic animals alone, however, were inadequate to bring about a self-sufficient economy in Mongolia. History shows that most nomadic tribes had from early taken to the habit of eating millet and other cereals. (Refer Tomio Goto's "Nomadic society of Mongolia," p. 232.)

4 Karl Marx; "The Capital," Book I.

ages they had been engaged in the exchange of needed commodities with other peoples.

The question, thus, comes to the reason why they, especially in the early years of the Yuan dynasty, are said to have embarked on such formula of inter-race economy.

The first thing to be mentioned in this connection is the strong desire on the part of Emperor Tai-tsu for opening an inter-race. Some of the contemporary historical annals record that the Emperor, on several occasions, expressed his desire to conclude commercial agreements with the neighboring peoples. Regarding the Emperor's expeditions to the undeveloped areas to the west of China, Wang Hsiao-tung, a noted historian, comments that "the main purpose of these expeditions was not to conquer these regions with military force, but to open up a commercial relation with peoples inhabiting these areas."⁵ This indicates that the Emperor was desirous of obtaining access to such commodities produced there.

Next, a marked increase both in quantity and category of the commodities imported should be noted, these being divided, roughly, into daily necessities and articles of luxury. It goes without saying that the former category does not necessarily carry any specific indications of the contemporary tendencies because any period of a people's history would have seen certain items of daily necessities being brought in from neighboring areas. The picture, however, is entirely different with the articles of luxury: no people would cater to them unless they are specially inclined toward them nor would such a tendency emerge to the fore at any specific period of its annals.

Now, in the years immediately following the emergence of the Yuan dynasty, the Mongolians began to show a marked tendency to covet luxurious articles.⁶ Various reasons may be cited for this. Record shows that they, in those years, ransacked the neighboring regions on several occasions. Among the loot they brought home they would often discover luxurious goods they had not hoped for. Novel and curious, these articles would have incited them on further ransacking expeditions. They would further have gone to the limit of demanding them in items of tribute and tax. Again, they would have hit upon the idea of obtaining them by paying for them. These, combined, might have encouraged the Mongolians to seek articles of luxury and lead a life of extravagance. It would be a foregone

5 Wang Hsiao-tung; "History of Commerce in China," p. 148.

6 For example, they in those years made use of gold and silk textiles (Refer; "The Journey of William of Rubruck to the Eastern Parts of the World, 1253-55") and they also knew how to partake of grape wine and other distilled spirits, which would indicate that the tendency to luxury was engendered among them.

conclusion that, once such a tendency comes to the fore, that their daily life was more or less full and contented.

It is further established that the Mongolians in those years made an extensive use of currency for obtaining a wide variety of commodities. Accustomed to the use of a currency from years before, the currency for them had consisted of such cattle as horses and sheep. With the advent of the Yuan dynasty, however, their currency changed the shape: it now began to take the form of gold or silver coins, which had originated in alien lands. The volume of currency for their use in these years greatly increased, and they made a very good use of it.⁷

This probably explains why the contemporary Mongolians gained the reputation of a race so covetous of commodities not produced in their own desert-homeland.⁸

II.

While it may be established that in the initial years of the powerful Yuan dynasty, the Mongolians cast a covetous eye on a wide variety of goods, it does not at the same time follow that they laid special importance on commerce and commercial activities.

Possessed of coins, they would have been able to buy whatever they wanted. Does it then always follow that buying with coins amounts to a commercial dealing? A contemporary history¹ said of them that "they did not know to trade." Therefore, it was probable that they were essentially ignorant of the way of trading.

But, they are known as a race to have early contributed to the growth of an economy of exchange. And yet, they were ignorant of the way of trading even immediately before and after rise of the Yuan dynasty. It may be a wonder.

How comes it?

The first thing to be considered in this connection would be their productive capacity. That they were credited with a substantial contribution to the development of an economy of exchange could have been due to the

7 Refer the present writer's treatise in "Keizai Ronso" (經濟論叢) or "The Economic Review." 1957 (Book 76, No. 5, pp. 54-67)

8 For another reason, the fact should be mentioned that no data is in existence relating to the period prior to the emergence of the Yuan dynasty and, consequently, nothing better than a conjecture is possible regarding their life before the dynasty, with the rise of the Yuan dynasty, however, rich material is suddenly available, and this probably accounts for the frequent reference to them in this vein.

1 Hétashihlūo (黑韃事略)

fact that they, essentially, were a nomadic people. As far as they remained so, all of their possessions must have consisted of movable properties, which would be moved easily, and this circumstance no doubt made it easy for them to evolve an economy of exchange. For effecting an exchange, however, they had to be possessed of more cattle or processed goods than would meet their daily needs. The fact was that their production was never stable to the extent that they could always engaged in such acts of exchange. Climatic conditions spoke much in this connection. Affected by the inclemencies of weather,² they would have been liable to lack even such cattle as would have been required for a mere upkeep of their livelihood. It is easily presumed that such was the situation encountered oftener while they were engaged in the "Mongolian nomadic life." Under such conditions, again, the scope and scale of the peaceful transactions of exchange with neighboring farming races would inevitably have been limited considerably. In order to live, however, they were compelled to gain access to whatever article which were absolutely required. Sometimes they were forced to resort to force for that purpose. Acts of looting—for, substantially, it did amount to such—were unavoidably directed against adjacent farming people, plundering even occurring sometimes among nomadic tribes. This would naturally lead to a state of belligerency among them, with the result that peaceful exchange would be hampered with. Thus, it would be seen that the contemporary state of economy as was in evidence among these nomadic races was still a far cry from what we understand from the term "commerce."

For one thing, again, they, as a race, were extremely conservative. This could be assumed from the scrupulousness with which they tried to keep their blood relations pure.³ They were a stout believer in the teachings of Shamanism, and, as such, it was just a thing of course that they should have been so. Their conservatism, however, must have worked against improvement of their economic standards as well as their mode of living. Records show that the mainstay of their economy was in the acquisition of farm grains and cereals from the neighboring farming tribes. Ever since they, as a race, emerged on the historical horizon as a nomadic people, their transactions with those farming tribes must have been in existence. And, singularly, no substantial modifications in this form of economy were appa-

2 They were especially subject to the climatic conditions, e. g. "The Book of Han" (漢書九十四. 匈奴傳第六十四. 上) says; in winter, when snow was deep, many domestic animals were dead owing to hunger and cold." It is presumable that the inclement climatic conditions largely reduced production.

3 Борис Яковлевич Владимирцов "Общественный строй Монголов-Монгольский козовой Феодализм, Ленинград, 1934"

rently recorded up till the time of the rise of the Yuan dynasty from the days of, or, even, prior to the days of the Huns. Evidently, tribes of their race, consisting mainly of blood relationships, were content of engaging in such dealings with other tribes simply for the purposes of acquiring whatever commodities needed by their own groups. It would appear, thus, that their acts of exchange gradually assumed the aspect of their regular occupation, and, as such, indeed, there was no room for any systematized distribution of labor, for, at the root, tribal desire to keep their blood relationships intact⁴ was at work. This would partly explain the circumstances where, although their contact with the neighboring farming tribes for the exchange of farm products had started considerably earlier, they had failed to evolve any progress in their shape of primitive economy immediately prior to and after the rise of the Yuan dynasty.

It would be easily assumed that, while such acts of exchange or barter were taking place between a nomadic race and farming people, similar barter dealings were taking place among groups of a nomadic race or even inside each of such groups, and that such dealings, in substance, hardly amounted to acts of trade of commerce, as are understood now. No exact information in this respect, however, can be made for lack of available historical data.

III.

The preceding chapter has, it is hoped, clarified that, even immediately before and after the rise of the Yuan dynasty, the Mongolians had not attained the stage where their economic dealings would have been properly termed as amounting to trade or commerce in the accepted sense of the term. It was a fact, however, that they were in a position to seek a wide variety of commodities from other races. Then, how could they have acquired all of these articles to meet their daily needs?

Aspects of the question differed according as the related ages differed. Roughly speaking, a classification into a relatively earlier age and a relatively later stage would seem relevant.

4 In the 11th and 12th centuries, the ancient caste society began to disintegrate. As late as the 12th century, the nomadic land had no private owners, retaining traces of the previous common life. However, as pointed by Mr. Ginpu Uchida, in his "Study of the History of the Huns," the Huns, in those years, kept certain domestic animals as their private possessions. This leads to the speculation that, out of the defunct caste, families were gradually taking shape. The caste system, however, still retained its grip on their life. (Refer; Toshio Matsuda and Gen Kobayashi's "On the Cultural History of the Dry Asia")

In the former case, they were supplied mainly through barter dealings with other unconquered tribes and acts of looting. First to be mentioned as the source of supply for the Mongolians would come the Chin dynasty,¹ for, in the light of some of the contemporary historical annals, it is established that the latter then had a relation of commercial dealings with nomadic races inhabiting the areas north of the China mainland. It is, then, obvious that the Chin people were supplying the Mongols with various commodities.

Aside from the peaceful means of barter, the Mongolians gained not a insignificant portion of their supplies from acts of looting. Their productive capacity still remained on an extremely low level, and they were usually possessed of scanty superfluous goods, which, as a matter of course, made it out of question for them to keep their barter relations with the Chin people over a long period of years. To supplement this, then, they had to resort to means of force to satisfy their needs, and, among others, Hsi-Hsia as well as Chin dynasties to the south loomed large as the targets of their attacks for plunderings.

In the latter period, on the other hand, their needs mainly satisfied with tributes and taxes paid, the volumes of which becoming larger in proportion as the areas under their control expanded. As their political hegemony was consolidated, meantime, the system of taxation was set up on a firm basis. The taxes imposed by the Mongolians took the form of toll per head in the western areas and levy per household in the regions of China proper. Besides the tributes and taxes, the Mongols then were supplied through normal process of trading. Unlike the former period, trading gradually extended to other regions than the area under the control of the Chin dynasty, the area sometimes comprising even such as lying at a great distance. Williams of Rubruck records that the commodities made available to the Mongolians in these years came not only from China and its neighboring areas but also from such distant regions as Persia and the countries to the south, Ruscia, Moxel and the greater Hungarian territory.²

What categories of commodities, then, came from these regions?

In the light of various historical records, it appears that silver served as the currency of exchange in trade conducted by the Mongolians and the Chin people in the relatively early years.³ It is presumed, however, that silver was not exclusive in this regard⁴; cereals and cloth were probably

1 "The History of Chin." (金史, 食貨志)

2 The Journey of William of Rubruck to the Eastern Parts of the World, 1253-55.

3 "The History of Chin." (金史, 食貨志)

4 For example, a contemporary record mentions that they mainly traded in jewels and cloth at the time of the Chin dynasty. It is presumed, then, that jewels and cloth were employed also in their dealings with the Mongolians.

also used for such purposes. This means that in trading with the people of the Chin dynasty the Mongolians could acquire silver, cereals and cloth, while, by looting, they obtained cattle, tents, women, cereals, precious metals, cloth and weapons.⁵ It is obvious that all of these items could not invariably have been acquired at one time by looting: sometimes they were lucky enough to gain access to all they wanted, and sometimes, they were forced to satisfy themselves with what they could lay their hands on, even though such was not what they had wanted.

In the relatively later years, they, through tributes and taxes levied, could have acquired precious metals, mainly silver, spirits and beverages, silk textiles, food provisions, iron material and axes.⁶ Coming in more or less regularly, these items were in many cases paid for, while, it is noted that they largely paid for items of luxury, including beverages (comprising grape wines, privately-distilled spirits, etc.), precious metals and silk textiles. They would sometimes pay for even cereals. It is seen, thus, the Mongolians in those years could acquire quite a wide range of commodities in these various ways. And, in this connection, the big role played by merchants may not be overlooked. No Mongols, then, worked as merchants, all of them being supplied by other tribes, as witnessed a contemporary history, which records that Han (Chinese) and Uigle people would extend their professional domain to the Mongolian plains for trading. Following the establishment of the Ynan dynasty, the activity of these roving merchants became more and more apparent. Especially noteworthy was the case with the Western people, who, noted for their commercial sagacity, would traverse across thousands of miles of deserts and mountainous terrain from the West to bring on their back an extensive variety of commodities needed by the Mongolians.

IV.

In the meantime, it would perhaps not be irrelevant here to look into the reasons which prompted these travelling tradesmen to cover the extensive distance across the vast continental land to bring all these commodities to the Mongolians.

Foremost among the many factors which made possible their hazardous journeys should be mentioned the fact that their military might had estab-

⁵ D'Ohsson; "History of Mongolia," Book 1. Chapter I and Chapter 3.

⁶ "The Journey of William of Rubruck to the Eastern Parts of the World, 1253-55," and the present writer's treatise in "The Economic Review," 1955, (Book 75, No. 1, pp. 25-31.)

ished a more or less stable peace and order along the routes of trade. It is recorded that, during the reign of Tai-tsu, the founder of the Yuan dynasty, the conditions along these routes were so unstable due to incessant strifes among the bordering tribes that bringing commodities across the regions was simply out of the question.¹ As the Mongolians extended their control to these regions, however, the conditions improved to such an extent that the ruling people could establish a system of post stations for commercial purposes, which greatly facilitated an inter-exchange of goods. With the trade routes placed under the uncontested control of the Mongolians,² there evidently was no personal dangers for the alien merchants to travel along to the country of the ruling tribe.

Secondly, the gradual development of a manufacturing industry in Mongolia would be cited as one of the salient causes. With the steady expansion of their industrial activity, it was only natural that they would gradually become possessed of such manufactured articles which they could dispose of, which they, knowing of their utility to other races, exchanged for what would meet their own needs. Utilized in this way were, mainly, horses and cows, and it stands to record that these cattle were extensively exchanged for other items of daily needs. It was thus natural that they, by degrees, came to produce these cattle deliberately for the exclusive purposes of exchanging for commodities. In short, the cattle became a category of merchandise, as far as the contemporary Mongolians were concerned.

Thirdly, the extent to which their economy depended on the outside world should be taken into consideration. Foremost among the articles they stood in need of being supplied by outly, they demanded that these tribes engage in transactions of exchange, or else, they would force them to pay tribute to them. Otherwise, prompted by sheer needs, they would override the Great wall, and, invading the area inside it, would plunder the Chinese farmers inhabiting there. This, perhaps, would be considered as just another form of inter-trading transaction,³ and this interpretation apparently is amply underwritten by certain contemporary historical annals, where it is stated that, the Chinese people failing to supply the Mongolians with what they wanted, the latter would come down upon the former to squeeze whatever they wanted out of them.⁴ This close inter-relationship between the Mongolians, a nomadic race, and the Chinese, a farming people, was especially mentioned by Mr. Akira Haneda, in his study made public

1 "New History of Yuan" (新元史, 食貨志)

2 Kōji Iizuka; "Oriental Society in the History of the World," Chapter 1, section 8.

3 Tomio Gotō; "Mongolian Nomadic Society," p. 232.

4 "Book of Chien-Han," section on the Huns. (前漢書, 匈奴傳)

in 1954, and it is of interest to note, in this connection, that such incidentally indicates that the Mongolians' isolationist self-supplying economy could not maintain its own.

Fourthly, the tendency toward luxury among the ruling classes of the Mongolians may be pointed out. With the steady expansion of their industrial activity, their living standards were naturally raised, which entailed an unmistakable improvement in the quality of their daily necessities. For one thing, it was recorded that the dresses they wore in these years conspicuously gay and bright both in color and design. The same could well be said of other aspects of their living, this especially notable among the higher ruling classes. What had been items of luxury in the earlier years would thus become gradually items of daily necessity, which, as historical records⁵ show, Emperor Tai-tsu frequently tried to acquire even at the point of arms.

Fifthly, their ignorance of commerce counted for this. The absence of merchants among the Mongolians has been mentioned earlier. If they had their own native merchants, they would have had a quite different appearance of their economy, for, then, these merchants would have been required to tax their brains to cater to the increasing needs of their ruling classes. Their role, actually, however, was taken over by the Chinese and Uigle people, who, literally, were born merchants.

Sixthly, the exchange economy which flourished between the Mongolians and the Westerners proved highly profitable for the latter. The extensive activity shown by the merchants in these years amply attests to the huge profit they could garner from the barter transactions. And, why so much profit? For one thing, they could take advantage of the Mongolians' ignorance of commerce. The Mongolians were easily beguiled by what the shrewd traders pretended. Moreover, the articles they brought in were of such charm to the Mongolians.⁶ The profit accruing from all this was such that the money-minded merchants would willingly risk even their personal hazards in travelling all the way to the Mongolian plains.

Seventhly, it may not be overlooked that the contemporary rulers were intent of utilizing these merchants for their personal interests. Records⁷ say that they used to loan silver for interest, and, in this transaction, both they and the alien merchants utilized by them could accumulate big profit, this

5 "The History of Yuan" simply records that "the messenger was killed in the western region in June."

6 According to "Mongrol-un niruča to-bčaran," it is recorded that Emperor Tai-Tsung bought merchandise brought by the merchant for large sums of money—apparently because the Mongolians then were very much desirous to acquire such goods as brought by the merchants.

7 Hētashihlūo (黑鞑事略)

inevitably encouraging more and more trade moves on the part of the latter.

Eighthly, the marked improvement of the communication facilities between the West and the East should be mentioned. Prior to the rise of the Yuan dynasty, the routes linking the West were very much in the primitive condition. With the emergence of the Mongolians as a ruler of the entire regions, however, the peace and order along these routes, as has already been mentioned earlier, was greatly improved as the military might of the Mongolians helped to remove many of the racial and geographical barriers standing in the way. Thus, the years immediately following the establishment of the powerful Yuan dynasty saw the opening of the great East-West routes of trade, including the famous Tien Shan north and south highways.

V.

The foregoing lines, it is hoped, have clarified the circumstance that the commonly-accepted contention of the Mongolians at the time of the rise of the Yuan dynasty being commerce-minded was simply the result of the fact that, in those years, the upper ruling classes of the Mongolians, never the entire social layers of the race, were, by force of the gradual improvement of their living standards, inclined to cater to items of luxury, and that, as a result of this, they, in pursuit of such articles, either demanded the allied merchants to provide them with those merchandise or loaned them the capital funds to trade on.

In spite of all this, however, it cannot be denied that the ruling Mongolian classes paid expensive prices for such commodities, and why? It is as though they were entirely regardless of the interests involved.

This could be explained partially by the fact that they were essentially ignorant of the way of trading; but, then, the question naturally arises about how they were in possession of the properties to pay for them. The answer is simple: they simply squeezed common people through the taxes to be paid.¹ They had just to levy them whatever heavy taxes they were inclined, just for the purpose of enabling them to pay for the commodities they were to acquire at exorbitant prices.

This, however, meant a heavy burden on the part of the taxpayers. The taxes levied on the Mongolians in general were so heavy, as records show, that they found it hard even to keep up their daily livelihood, while

¹ This never consisted of taxes alone. In early years, they must have comprised also tributes and looted items.

it was not the Mongolians alone who had to pay the taxes.² The significance of this should be driven home by considering the steady expansion of the industrial activity in Mongolia in these years, which, it is presumed, must have brought much to the inhabitants to pay with. That they, in spite of this, faced an extreme difficulty in maintaining their living attests to the indisputable heaviness of the taxes levied.

This means that the general run of Mongolians, rather than the wealthier ruling classes, who actually bought various rarities, had to pay for them. This, again, means that they had to pay increasingly heavy taxes to finance the luxuries indulged in by their ruling classes, and that they had to pay more and more to the alien merchants. It is obvious from all this that the living of the common Mongolians were rendered increasingly destitute.

This does not mean, however, that the common run of Mongolians were satisfied with their poor lot: they wanted a life as that led by their rulers. The only hindrance in their way was the fact that they were not in possession of such properties as would enable them to acquire whatever rarities they wanted from the aliens. The solution would have been for them to rise to ruling positions, where it would be just a simple affair to equip them with necessary properties with which to buy items of luxuries they coveted. It was only natural, then, that competition should have arisen among them in an effort to secure ruling positions for them.³

The conclusion obtainable from the above-mentioned circumstance would be that, with the steady improvement of the living standards of the aristocratic ruling classes on the heels of the expansion of the industrial enterprise of the Mongolians, the burdens imposed on the common run of people in the form of levied taxes increased, and that, consequently, the discontent on the part of the latter tended to add to its intensity. This, in essence, speaks of the contradictory factors inherent in the then semi-primitive community of the nomadic Mongolians.

2 e. g. Rubruck records; "In case the Ruthenians refused to offer sufficient amount of gold or silver, they would drive away groups of women and children, as if they were horde of sheep, to take guard of sheep." Elsewhere, it is recorded; "In Kara-Korum, there are many Chinese, who all inherit father's profession, this being handed down from their forefathers. Hence they were able to pay heavy taxes. Indeed, they paid daily to the Mongolian regime no less than 1,500 iascot (one iascot in silver is tantamount to 10 marks, about 5 pounds of silver) as well as cosmos wine, silk fabrics and food provisions. (Refer "The journey of William of Rubruck to the Eastern Parts of the World, 1253-55") This indicates that they levied taxes on all peoples and tribes under their control.

3 Борис Яковлевич Владимирцов "Общественный строй Монголов-Монгольский козвой Феодализм, Ленинград, 1934"